

INDICES	code	Incoterm	Measure	This week's Price	Previous Price	Weekly Change	Monthly Average	Previous Month	Quarter Average	Previous Quarter
MANGANESE ORE 44% INDEX	MBMn44	CIF Tianjin	\$/dmu (weekly)	6.54	6.58	-0.04	6.40	6.06	6.17	5.66
MANGANESE ORE 37% INDEX	MBMn37	FOB Port Elizabeth	\$/dmu (weekly)	5.10	5.13	-0.03	5.01	4.48	4.59	4.23
ESTIMATES										
Freight rate South Africa - China	Estimate	-	\$/dmu (weekly)	0.57	0.57	0.00	0.57	0.57	0.55	0.56
MANGANESE ORE 37% CIF EQUIVALENT	Estimate	CIF Tianjin	\$/dmu (weekly)	5.67	5.70	-0.03	5.58	5.05	5.15	4.79

MARKET COMMENTARY

Ore price rally falters, alloys weaken in most regions

Manganese ore prices slid on Friday September 29 after large Chinese buyers wrapped up purchasing and market participants predicted weaker prices into the fourth quarter.

Metal Bulletin's 37% manganese ore index, fob Port Elizabeth dropped 3 cents to \$5.10 per dmtu, equivalent to \$5.67 per dmtu, cif China.

Metal Bulletin's 44% manganese ore index, cif Tianjin dropped 4 cents to \$6.54 per dmtu.

"It is very obvious to producers, traders and buyers alike that the market peaked last week and that an inevitable slide will take place this week as most of the large Chinese buyers have already secured enough stock for November delivery," a Chinese trader told Metal Bulletin.

Chinese market participants were reluctant to take positions as they prepared for the start of the week-long autumn holiday, raising the threat of profit-taking.

"I wonder if people are just taking profit before the holiday. I'd say the mood is negative; no one is going to take a risk before a holiday," a manganese ore producer source told Metal Bulletin.

Still, as demand waned, manganese ore supply remains extremely tight amid low inventory levels in the ports of Tianjin and Qinzhou, sources said.

Metal Bulletin's assessment of manganese ore stocks in major Chinese ports shows a sharp drop in inventory levels during September.

"The only factor supporting manganese ore prices is the terribly low inventory level at the port of Tianjin, which is causing worry to traders and buyers," a second trader told Metal Bulletin.

"I don't see any large shipments arriving into the port of Tianjin for October and November, so the tight supply situation is not likely to ease as we move into the fourth quarter," the trader added.

Weakening silico-manganese futures continue to loom over the manganese ore industry, as prices lose ground week on week.

The most-traded January contract on Zhengzhou Commodity Exchange closed at 6,640 yuan (\$999) per tonne on September 29, down 36 yuan from September 22.

Metal Bulletin's price quotation for physical spot Chinese silico-manganese prices weakened to 7,300-7,400 yuan per tonne, from 7,350-7,500 yuan per tonne previously.

Metal Bulletin's quotation for Chinese ferro-manganese prices eased 50 yuan per tonne at the low end of its trading range to 6,750-7,000 yuan per tonne, reflecting a pullback in buying interest.

MetalBulletin

Mn Ore Index

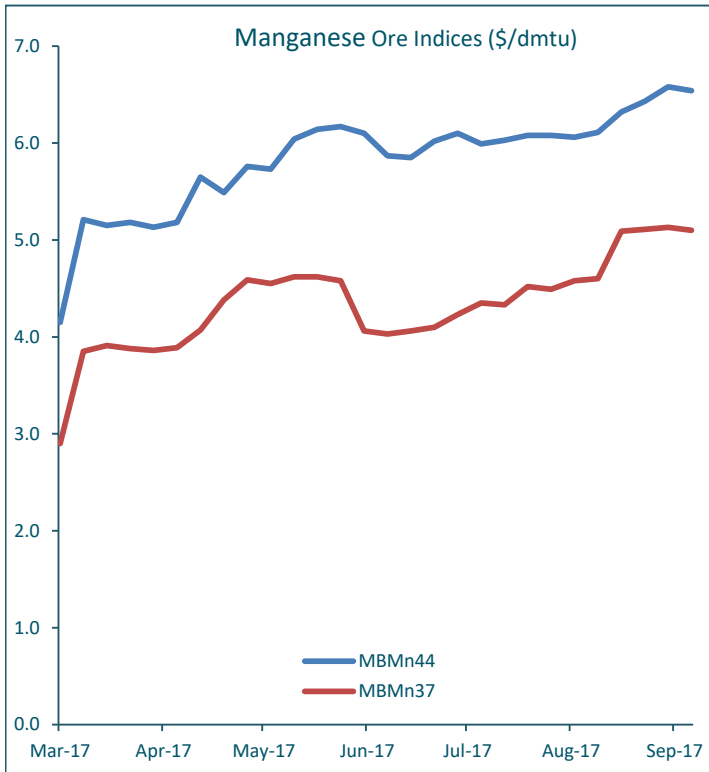
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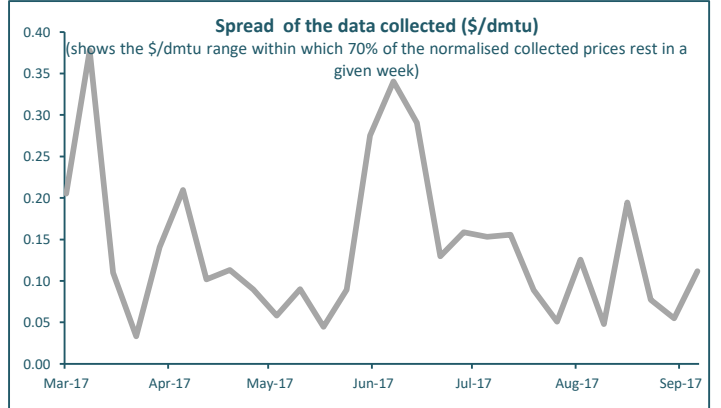
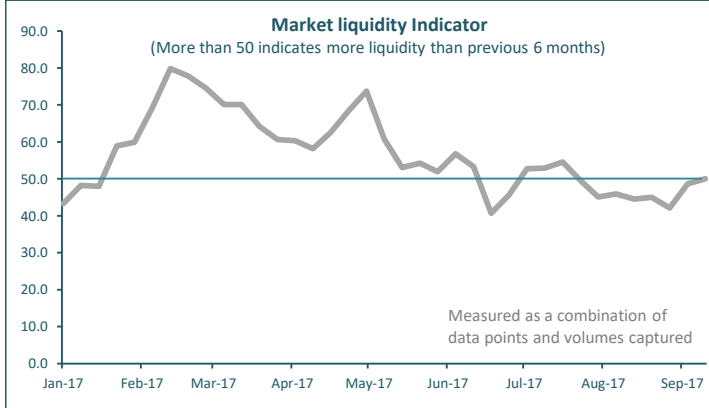
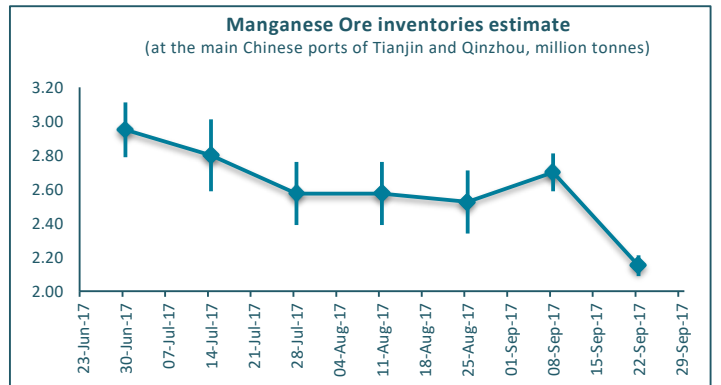
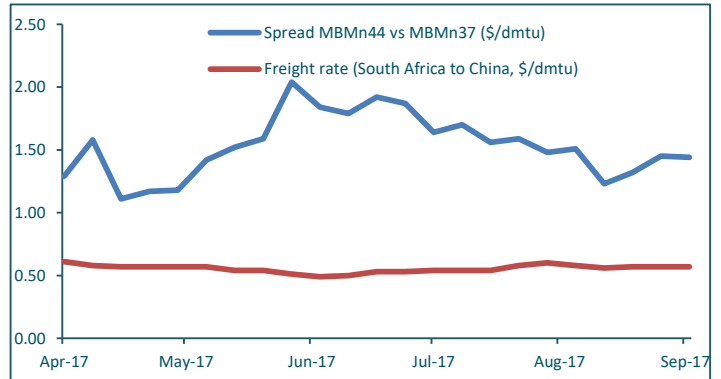
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MANGANESE ORE INDICES



INDICATORS



Mn VIUs

	Q3 2017	Previous Quarter	Year 2017	Previous year
Mn VIU 44% range (\$/dmtu)	0.17	0.14	0.14	0.08

The Mn VIU measures the relation between % Mn content in the ore and Price in \$/dmtu as seen in the market. The VIU is calculated using statistical methods and the large amount of Mn ore prices and data collected by Metal Bulletin. The Mn VIU shown is the value implied by the market and not an in-house assessment. Bear in mind that other factors such as company, other chemistries, delivery terms, etc... do affect Manganese ore prices.

Example: A Mn VIU of \$0.15/dmtu means that material with 45%Mn content is on average \$0.15/dmtu more expensive than 44%Mn content material other things equal.

